



## **Dominion Resources, Inc.**

### **COMPANY DETAILS**

**Ownership:** Public

**Stock Exchange and Ticker Symbol (if applicable):** NYSE: D

**Headquarters Location:** Richmond, Virginia

### **COMPANY OVERVIEW**

Dominion is one of the nation's largest producers and transporters of energy. Dominion's strategy is to be a leading provider of electricity, natural gas and related services to customers primarily in the eastern and Rocky Mountain regions of the U.S. As of December 31, 2016, Dominion's portfolio of assets includes approximately 26,400 MW of generating capacity, 6,600 miles of electric transmission lines, 57,600 miles of electric distribution lines, 14,900 miles of natural gas transmission, gathering and storage pipeline and 51,300 miles of gas distribution pipeline, exclusive of service lines. As of December 31, 2016, Dominion served over 6 million utility and retail energy customers and operates one of the nation's largest underground natural gas storage systems, with approximately 1 trillion cubic feet of storage capacity. Dominion is investing at least \$13 billion through 2020 to provide cleaner energy to their customers over a more robust, secure system of natural gas pipelines and electric wires.

Dominion's three operating segments are based in the energy-intensive Southwest, mid-Atlantic, Northeast and West. 2016 Primary operating segment earnings percentages include: Dominion Virginia Power (18 percent), Dominion Energy (28 percent) and Dominion Generation (54 percent).

- **Dominion Virginia Power** operates regulated transmission and distribution franchises in Virginia and northeastern North Carolina, providing electric service to about 2.6 million customer accounts in the two-state area. 2016 highlights include:
  - Connected 32,000 new franchise customer accounts.
  - Connected 11 new data centers.
  - Implemented a \$140 million program to place underground distribution lines on outage-prone circuits.
  - Placed into service \$784 million in transmission assets.
- **Dominion Energy** operates one of the nation's largest natural gas storage systems; a network of about 15,000 miles of natural gas transmission, gathering and storage pipelines; a natural gas distribution system serving 2.3 million customer accounts in five states; a liquefied natural gas terminal; and Dominion Retail. It also includes an interest in Blue Racer Midstream, LLC; Iroquois Gas Transmission System, L.P.; White River Hub, LLC; and Atlantic Coast Pipeline, LLC.
  - Continued construction on the approximately \$4 billion Cove Point liquefaction project, expected to enter service in late 2017.
  - Received a favorable Draft Environmental Impact Statement from the Federal Energy Regulatory Commission (FERC) for the 600-mile, \$5 billion to \$5.5 billion Atlantic Coast Pipeline.
  - Brought online six producer- and end-user natural gas infrastructure projects totaling \$450 million in investment.
- **Dominion Generation** operates the company's diverse-fuel fleet of regulated power stations serving its electric utility franchise, as well as a small merchant power fleet supplying wholesale

markets or providing electricity to local utilities through power purchase agreements. Together they account for approximately 26,400 megawatts of generation.

- Set a Virginia Power fleet record of 80.2 million megawatthours of electricity produced.
- Brought online the 1,376-megawatt gas-fired, combined-cycle Brunswick County Power Station.
- Brought online 727 megawatts of utility-scale solar generating capacity in North Carolina, Utah and Virginia — 462 megawatts of which are company-owned.
- Established a nuclear net capacity factor record of 92 percent or better for the fifth straight year.

As of December 31, 2016, Dominion had approximately 16,200 full-time employees, Virginia Power had approximately 6,800 full-time employees and Dominion Gas had approximately 2,800 full-time employees. During the same time period, Dominion's operating revenue was \$11.74 billion, which experienced a slight increase from the previous year (\$11.68 billion). Net revenue increased 10 percent from 2015 (\$8.08 billion) to 2016 (\$8.85 billion).

In September 2014, Dominion, along with Duke and Southern Company Gas (formerly known as AGL Resources Inc.), announced the formation of Atlantic Coast Pipeline. The Atlantic Coast Pipeline partnership agreement includes provisions to allow Dominion an option to purchase additional ownership interest in Atlantic Coast Pipeline to maintain a leading ownership percentage. In October 2016, Dominion purchased an additional 3 percent membership interest in Atlantic Coast Pipeline from Duke for \$14 million. The members, which are subsidiaries of the above-referenced parent companies, hold the following membership interests: Dominion, 48 percent; Duke, 47 percent; and Southern Company Gas (formerly known as AGL Resources Inc.), 5 percent.

The Atlantic Coast Pipeline is focused on constructing an approximately 600-mile natural gas pipeline running from West Virginia through Virginia to North Carolina. Subsidiaries and affiliates of all three members plan to be customers of the pipeline under 20-year contracts. Public Service Company of North Carolina, Inc. also plans to be a customer of the pipeline under a 20-year contract. Atlantic Coast Pipeline is considered an equity method investment as Dominion has the ability to exercise significant influence, but not control, over the investee.

### **KEY EXECUTIVES**

**Thomas F. Farrell, II, Chairman, President and Chief Executive Officer** – Thomas F. Farrell, II is chairman, president and chief executive officer of Dominion Resources Inc. Farrell joined Dominion in 1995 and has served as an officer of Dominion and many of its subsidiaries. He was executive vice president of Dominion from 1999 to 2003 and president and chief operating officer from January 2004 to December 2005. In January 2006, Farrell was named president and chief executive officer of Dominion and was elected chairman of Dominion's board in April 2007. He earned his undergraduate degree in economics in 1976 and his law degree in 1979, both from the University of Virginia.

### **NORTH CAROLINA PRESENCE**

In Virginia, Virginia Power conducts business under the name Dominion Virginia Power and primarily serves retail customers. In North Carolina, it conducts business under the name **Dominion North Carolina Power (DNCP)** and serves retail customers located in the northeastern region of the state, excluding certain municipalities. There is no competition for electric distribution service within Virginia Power's service territory in Virginia and North Carolina and no such competition is currently permitted. Virginia Power's electric distribution service, including the rates it may charge to jurisdictional customers, is subject to regulation by the Virginia and North Carolina Commissions. Dominion's merchant renewable generation facilities include a fuel cell generation facility in Connecticut, solar

generation facilities in California, Connecticut, Georgia, Indiana, North Carolina, Tennessee, Utah and Virginia and wind generation facilities in Indiana and West Virginia.

As of March 31, 2016, DNCP served approximately [ HYPERLINK "C://Users/hhcrosby/Downloads/033116-cover-letter-and-application.pdf" ] in North Carolina, with a service territory of about 2,600 square miles in northeastern North Carolina. including Roanoke Rapids, Ahoskie, Williamston, Elizabeth City and the Outer Banks. DNCP serves major industrial facilities like Nucor Steel, KapStone, Enviva and Hospira, as well as commercial and residential customers. During the 2015 test period, the Company's North Carolina jurisdictional sales totaled 4.378 million MWh and total per-book operating revenue from tariff sales of electricity was approximately \$363 million. In addition, the Company provides power and/or transmission services to the North Carolina Electric Membership Corporation, the North Carolina Eastern Municipal Power Agency, and the Town of Windsor, which in turn provide service to approximately 100,000 customers.

### **LATEST NEWS AND ANNOUNCEMENTS**

- **January 10, 2018** – [ HYPERLINK "https://www.usatoday.com/story/money/2018/01/03/south-carolinians-get-1-k-refunds-rate-cuts-scana-utility-sold-dominion-energy-after-nuclear-plant-d/998972001/" ]. Backed by an ongoing \$1 billion investment, Dominion Energy has grown its solar fleet in Virginia and North Carolina over the last two years from near zero to approximately 1,350 megawatts in service, in construction or under development. That is enough clean energy to power nearly 340,000 homes during peak sunshine. Dominion Energy's solar fleet is ranked the sixth largest among owners of U.S. electric utilities, and according to the Solar Energy Industries Association, Virginia also is sixth in climbing the state rankings for solar energy. **In North Carolina, there are 13 projects totaling 353 MW that Dominion Energy has brought or is bringing online in North Carolina by 2019. Additionally, there are 82 projects owned by third-party developers that are operating or being developed totaling 550 MW.**
- **January 3, 2018** – [ HYPERLINK "https://www.usatoday.com/story/money/2018/01/03/south-carolinians-get-1-k-refunds-rate-cuts-scana-utility-sold-dominion-energy-after-nuclear-plant-d/998972001/" ]. Virginia-based Dominion Energy will pay \$7.9 billion to acquire the South Carolina utility that was floundering after scraping a costly customer-funded nuclear plant project facing multiple federal investigations. Dominion announced it had reached a deal to acquire SCANA Corp., which runs the South Carolina Electric & Gas Co., and refund the utility's customers an average of \$1,000 each for the failed nuclear plant. The deal also includes plans to lower electric rates for South Carolina Electric & Gas customers by about 5%. SCANA had already announced plans for a 3.5% cut. The \$1.3 billion give-back to customers will be dished out based on the amount of electricity used over the last 12 months.

*Briefing prepared by NC Commerce Labor and Economic Analysis Division. January 2018.*